

MSP of wheat

247. SHRI SYED AZEEZ PASHA: Will the Minister of AGRICULTURE

be pleased to state: (a) whether it is a fact that the Minimum Support Price (MSP) of wheat has been raised by Rs. 100/- per quintal;

(b) if so, the details thereof;

(c) whether it is also a fact that, considering the rising cost of fertilizers, agricultural implements and labour, the MSP fixed is very low; and

(d) if so, Government's reaction thereto?

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI KANTI LAL BHURIA): (a) to (d) the MSP of wheat for 2006-07 season has been raised to Rs. 750 per quintal which is higher by Rs. 100 per quintal than the MSP fixed for 2005-06 season.

The Government decides on the MSP after taking into account the recommendations of the Commission for Agricultural Costs and Prices (CACP), (he views of State Governments and Central Ministries as well as other important factors. The CACP, while formulating its recommendation on price policy, considers the inputs provided by various State Governments as also a number of important factors which include cost of production. The cost of cultivation/production taken into account includes all paid out costs, such as those incurred on account of hired human labour, bullock labour/ machine labour (both hired and owned), cash and kind expenses on use of material inputs like seeds, fertilizers, manures, irrigation charges including cost of diesel/electricity for operation of pump sets, etc. The cost of production covers not only actual expenses incurred in cash and kind but also imputed value of owned assets including land and family labour.

Subsidies to farmers for increasing wheat production

248. SHRI T.S. BAJWA: Will the Minister of AGRICULTURE be pleased to state:

(a) whether there is a proposal under Government's consideration to offer liberal subsidies to the farmers in the country to substantially increase production of wheat during the ensuing rabi season; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI KANTI LAL BHURIA): (a) and (b) State Governments have been sensitized to the need for increasing area under wheat and enhancing